



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1999

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JAMES A. PEHRKON *JW for JP*
STAFF DIRECTOR

FROM: ROBERT J. COSTA *Re Far 2135 - 12/27/99*
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: FRIENDS OF CORRINE BROWN - REFERRAL

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OFFICE OF GENERAL COUNSEL

On December 1, 1999, the Commission approved the final audit report (FAR) on Friends of Corrine Brown. The report was released to the public on December 17, 1999. The following finding is being referred to your office in accordance with Commission-approved Materiality Threshold XIII.C: Contributions Subject to 48 Hour Disclosure Notices.

All workpapers and related documentation are available for review in the Audit Division. If you have any questions, please contact Robert Morcomb or Marty Favin at 694-1200.

Attachment:

- FAR Finding II.B. (Contributions Subject to 48 Hour Disclosure Notices)

II. AUDIT FINDINGS AND RECOMMENDATIONS

B. CONTRIBUTIONS SUBJECT TO 48 HOUR DISCLOSURE NOTICES

Section 434(a)(6) of Title 2 of the United States Codes requires that each treasurer of the principal campaign committee of a candidate shall notify the Clerk, the Secretary, or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution of \$1,000 or more received by any authorized committee of such candidate after the 20th day, but more than 48 hours before, any election. This notification shall be made within 48 hours after the receipt of such contribution and shall include the name of the candidate and the office sought by the candidate, the identification of the contributor, and the date of receipt and the amount of the contribution. The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.

A review of contributions by the Audit staff identified four contributions of \$1,000 or more totaling, \$7,500, deposited between August 13, 1998 and August 29, 1998, for which the required 48 hour notices relative to the primary election held on September 1, 1998 were not filed. In addition, the Committee did not file the required 48 hour notices for twenty-three contributions, totaling \$33,500, relative to the general election held on November 3, 1998.

At the exit conference, the Committee representatives were provided with a schedule of the identified items. Committee representatives did not provide any relevant information on this matter at that time.

In the interim audit report, the Audit staff recommended that the Committee submit evidence that all required 48 hour notices had been filed or submit any written comments it believed was relevant to this issue.

In its written response to the interim audit report, Counsel to the Committee stated that the Candidate's "...campaigns have always emphasized volunteer and grassroots-based efforts, and her 1998 campaign was no exception. The political culture of the district requires less emphasis on paid professional staff, and more on help from volunteers. The Committee's recordkeeping and reporting functions have suffered somewhat as a result. The Committee has taken significant steps during recent election cycles to address its internal compliance procedures. Nonetheless, some problems have persisted, and the Committee has moved to correct them." Counsel further stated that "[t]he Committee is unable to document that it filed all required 48-hour notices..."